

billing is to be done. And, let's see, and after the bill...after a corrected bill is submitted, then the agency has 45 or 60 days from the submission of that bill to pay. And, let's see, and then the last committee amendment says that once a good faith dispute has been settled, then the provisions of the Prompt Payment Act would take effect. And, with that, I would ask the adoption of the committee amendments.

SPEAKER BARRETT: Thank you. Discussion on the committee amendments. Senator Schmit. Senator Hefner.

SENATOR HEFNER: Mr. Speaker and members of the Legislature, I support the committee amendments, in fact, they really become the bill now. And the reason I introduced this bill was to address some of the problems that were experienced by Nebraska businesses that were receiving delayed payments for goods and services provided to state government. This bill, as Senator Baack said, adopts the Prompt Payment Act and requires state agencies to pay their bills within 45 days from the receipt of the goods and service, whichever is later. If payment in full is not made within the 45-day time period, the state agency may be charged. And this is "may", may be charged interest on unpaid balance of its account and the rate of interest would be...is the same as is established in our statutes as adjusted from time to time by the Legislature. This is like on delinquent taxes and that sort of delayed payment. Prompt payment legislation has been adopted by the federal government. It's been adopted in 47 other states. Results on the federal level and in these states indicate that interest charges are minimal and the time required for payment of government bills is reduced following enactment of prompt pay legislation. This bill now, if we adopt the committee amendments, was advanced from the Government Committee unanimously by a vote of seven to zero and the bill, in its current form, resulted from extensive negotiations between myself and representatives of the National Federation of Small Business and also Larry Bare, the Director of the Department of Administrative Services. State government has expressed a concern over LB 1079 as originally drafted and I think with the committee amendments, well, we took care of most of those. We did exempt the Department of Roads out of the bill because we could see that there would probably be problems there in some of those road contracts. And so, at this time, I would just urge for the...urge you to support the adoption of the committee amendments.